



Department of Justice

UNITED STATES ATTORNEY'S OFFICE Western District of Washington

FOR IMMEDIATE RELEASE
Thursday, February 25, 2010

CLARK COUNTY MAN INDICTED FOR MAIL FRAUD IN CONNECTION WITH COUNTERFEIT SOFTWARE SCHEME

Washington Man Sold Counterfeit Microsoft Products On-Line

WAYNE CHIH-WEI SHU, 44, of Battleground, Washington was indicted this afternoon by a federal grand jury in Seattle, Washington for a ten year scheme selling counterfeit Microsoft software. SHU owned and operated various entities that advertised and sold counterfeit and tampered with software over the internet. The companies operated under the names Micro Sharp, Inc., Micro Sharp Technologies, Inc., Microsharp.com.Inc., and Meet Your Price, Inc. The indictment returned today charges SHU with six counts of mail fraud, Trafficking in Counterfeit Goods, and Trafficking in Illicit Labels. The indictment also seeks the forfeiture of \$1.7 million, SHU's home and luxury car as proceeds of the crime.

According to the indictment, SHU offered Microsoft products for sale over the internet. The products were counterfeit, tampered with, or infringed on copyrights owned and held by others. The indictment alleges that in 2004, 2005 and 2006, SHU received \$1,750,396 for the counterfeit software. SHU engaged in a practice know as "kitting"; selling software products that contained a mix of some genuine components with other components that were counterfeit or tampered with. The "kitting" made it more difficult for customers to determine that the software was counterfeit. SHU also allegedly used counterfeit licenses and certificates of authenticity to fool consumers who thought they were purchasing licensed Microsoft products. SHU continued his sales even after Microsoft sent him multiple "cease and desist" letters.

Mail Fraud is punishable by up to 20 years in prison and a \$250,000.00 fine. Trafficking in Counterfeit Goods is punishable by up to 10 years in prison and a \$2,000,000 fine; Trafficking in Illicit Labels is punishable by up to five years in prison and a \$250,000.00 fine.

The charges contained in the indictment are only allegations. A person is presumed innocent unless and until he or she is proven guilty beyond a reasonable doubt in a court of law.

SHU is summoned for his initial appearance on the charge in U.S. District Court in Tacoma on March 5, 2010.

The case was investigated by the FBI and the Internal Revenue Service Criminal Investigation (IRS-CI). The case is being prosecuted by Assistant United States Attorney Kathryn Warma.

For additional information please contact Emily Langlie, Public Affairs Officer for the United States Attorney's Office, at (206) 553-4110 or Emily.Langlie@USDOJ.Gov.